THE ECONOMICS OF HOMELESSNESS

HOMELESS SUMMIT

NOVEMBER 12, 2016
The counterintuitive truth about homelessness is that the solution costs far less than the problem.
SHELTER IS CHEAPER

$19.00 A NIGHT IN SHELTER
- VS -

$26.00 A NIGHT RENTAL ASSISTANCE
AVERAGE MONTHLY COST OF HOUSING SOMEONE WHILE HOMELESS

- **SHELTER BED**: $570
- **JAIL**: $1,350
- **HOSPITAL BED**: $10,700
- **RENTAL ASSISTANCE**: $733
COSTS OF HOMELESSNESS – MEDICAL

- Ambulance Transports
- Emergency Room
- Hospital/Overnight
- Outpatient Medical
- Prescription Drug Costs
COSTS OF HOMELESSNESS - MENTAL HEALTH

- Outpatient Mental Health
- Detox/Substance Abuse Treatment
- Inpatient Medical or Psychiatric
- Medicaid reimbursements
COSTS OF HOMELESSNESS - PRISON & JAILS

• Contact on the Street
• Citation/Arrest
• Incarceration

Crime/Court Costs - Booking Costs/Police Contacts/Productivity loss from Crime Victims
COSTS OF HOMELESSNESS - INTANGIBLES

• Negative Impacts
  – Impacts to Business/Consumer Buying

AVERAGE MONTHLY COST OF HOUSING SOMEONE WHILE HOMELESS

SHELTER BED $570
JAIL $1,350
HOSPITAL BED $10,700
RENTAL ASSISTANCE $733
COSTS OF HOMELESSNESS - HOUSING

• Emergency Sheltering Costs

• Supportive Housing Costs
  – Short-Term and Permanent

• Program Costs (Housing and Staff)
  – Supportive Services
BY INTERVENTION

CHRONICALLY HOMELESS
NEW and FIRST TIME HOMELESS
PERSONS AT RISK OF HOMELESSNESS
AFFORDABILITY

Out of Reach 2016: Texas

Working at minimum wage $7.25/hr | Each week you have to work 78 HOURS! To afford a modest 1-bedroom apartment at Fair Market Rent

Affordable Rent for Low Income Households

<table>
<thead>
<tr>
<th>Category</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minimum Wage Worker</td>
<td>$377/mo</td>
</tr>
<tr>
<td>Household at 30% of Area Median Income</td>
<td>$483/mo</td>
</tr>
<tr>
<td>Worker earning average renter wage</td>
<td>$887/mo</td>
</tr>
</tbody>
</table>

Fair Market Rent

<table>
<thead>
<tr>
<th>Type of Apartment</th>
<th>Rent</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-Bedroom Fair Market Rent</td>
<td>$733/mo</td>
</tr>
<tr>
<td>2-Bedroom Fair Market Rent</td>
<td>$915/mo</td>
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</tbody>
</table>
# Affordability

<table>
<thead>
<tr>
<th>Housing Wage</th>
<th>Texas</th>
<th>Denton County</th>
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</thead>
<tbody>
<tr>
<td>ZERO-BEDROOM</td>
<td>$12.17</td>
<td>$12.83</td>
</tr>
<tr>
<td><strong>Supplemental Security Income (SSI) Payment</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SSI MONTHLY PAYMENT</td>
<td>$733</td>
<td>$733</td>
</tr>
<tr>
<td>RENT AFFORDABLE TO SSI RECIPIENT</td>
<td>$220</td>
<td>$220</td>
</tr>
<tr>
<td>TWO-BEDROOM</td>
<td>131</td>
<td>142</td>
</tr>
<tr>
<td>THREE-BEDROOM</td>
<td>161</td>
<td>180</td>
</tr>
</tbody>
</table>
HOW CAN
ENDING HOMELESSNESS
TRANSFORM COMMUNITIES
AND
REDUCE COSTS